

The Office accepted his claim for medial meniscus tear of the right knee and right knee bursitis. The Office paid compensation under Czech law for wage loss and for pain and aggravation. Appellant argued that the Office should have also paid compensation for the 700 points his physician assigned for “permanent effects after injury to the soft knee.” The Board found that the case was not in posture for decision on whether appellant was entitled to such compensation, as the record did not sufficiently set out the benefit features of the local workers’ compensation law. The Board remanded the case for further development.²

The Office requested the pertinent local law and made it a part of the record. In a decision dated May 10, 2007, the Office found that appellant was entitled to compensation for the 70 points his physician assigned for pain, for the 700 points his physician assigned for permanent effects and for the difference between his average earnings before the damage caused by a work-related injury or occupational illness and the full amount of his sickness benefits. The Office paid a lump sum of \$3,460.03 (\$5,221.03 total entitlement less \$1,761.00 previously paid).

LEGAL PRECEDENT

Section 8137 of the Federal Employees’ Compensation Act (FECA or Act) provides compensation to an employee, or a dependent, who is neither a citizen nor a resident of the United States or Canada. Subsection (a) provides that when the Office finds that the amount of compensation payable to such an employee or dependent under the Act is substantially disproportionate to compensation payable in similar cases under local law, the Office may provide for payment of compensation on a basis reasonably in accord with prevailing local payments in similar cases, either by “the adoption or adaption of the substantive features, by a schedule or otherwise, of local workmen’s compensation provisions or other local statute, regulation, or custom applicable in cases of personal injury or death,” or by “establishing special schedules of compensation for injury, death and loss of use of members and functions of the body for specific classes of employees, areas and places.”³

Exchange rates in effect as of the date of injury, date disability began or date of recurrence should be used to convert local currencies to United States dollars.⁴ Consumer Price Index increases apply only if the claimant is being paid under the FECA benefit structure.⁵ The Act contains no provision which either in specific terms or by way of implication would authorize the payment of interest when awards of compensation are made retroactively.⁶

² The facts of this case as set forth in the Board’s prior decision are hereby incorporated by reference.

³ 5 U.S.C. § 8137(a).

⁴ Federal (FECA) Procedure Manual, Chapter 4 -- Special Case Procedures, *Foreign National Claims*, Chapter 4.801.9.n (September 1994).

⁵ *Id.* at Chapter 4.801.9.d.

⁶ *Ralph W. Moody*, 42 ECAB 364, 370 (1991).

ANALYSIS

Appellant does not argue the fundamentals of the Office's May 10, 2007 decision. The Office paid compensation for the 700 points his physician assigned for permanent effects, which is what he sought on the prior appeal. Rather, appellant's disagreement is at the margins. He argues that the Office should have used the exchange rate in effect on May 10, 2007, the date of its decision, and not the rate in effect on the date of injury. He also requests an adjustment for inflation and interest paid from November 2004 to May 2007.

Office procedures directly answer two of appellant's concerns. The Board finds that the Office properly followed its procedures when it applied the exchange rate in effect on the date of injury. The Office also properly denied an adjustment for inflation, as appellant was being paid under the local benefit structure, not the FECA benefit structure. Finally, Board precedent well establishes that the Office has no authority to pay interest on retroactive awards of compensation.

Because the Office has awarded compensation on a basis "reasonably in accord" with prevailing local payments in similar cases, as required by section 8137 of the Act, and because there is no authority to support the additional compensation appellant requests, the Board will affirm the Office's May 10, 2007 decision.

CONCLUSION

The Board finds that appellant is not entitled to additional compensation based on exchange rates, inflation or interest.

ORDER

IT IS HEREBY ORDERED THAT the May 10, 2007 decision of the Office of Workers' Compensation Programs is affirmed.

Issued: December 7, 2007
Washington, DC

Alec J. Koromilas, Chief Judge
Employees' Compensation Appeals Board

David S. Gerson, Judge
Employees' Compensation Appeals Board

James A. Haynes, Alternate Judge
Employees' Compensation Appeals Board